

## Extract of Climate Change Policy



Sun Hung Kai & Co. Limited, as a TCFD supporter, is committed to proactively address climate-related risks and deliver positive outcomes to our shareholders, investors and the broader society who may be impacted by our business.

This Climate Change Policy (the “**Policy**”) provides a set of recommendations on the types of information that Sun Hung Kai & Co. Limited and its subsidiaries (the “**Group**”) should disclose to support investors, lenders and insurance underwriters in appropriately assessing and pricing risks related to climate change in order to integrate our reporting on climate-related financial information, as approved by the board of directors.

The Policy covers areas of governance, corporate sustainability, climate resilient investment, stakeholder engagement, transparency and disclosure.

We have in place a governance structure on overseeing climate change issues, our board level ESG Committee and the board of directors are tasked with responsibilities of policy and measures implementation, identification and assessment of climate risks, decision-making and strategic authority on ESG-related issues, and monitoring the Group’s environmental performance.

Under corporate sustainability, the Group strives to promote resources and energy efficiency to minimise environmental impacts, energy use and carbon footprints. We are also committed to regularly establish, review and update our environmental targets related to greenhouse gases, waste, electricity and water usage reduction.

In terms of climate resilient investment, the Group strives to evaluate and integrate ESG and environmental considerations when making investment decisions, support technological innovation to improve the sustainability of investments, provide ESG-related trainings to investment teams on an annual basis, screen our investment portfolio annually based on ESG-related factors, and review and update our climate-related risks at least annually.

We also strive to actively consult and engage with our stakeholders through enforcing climate change consideration across the Group, raising awareness among employees with regards to climate-related topics, providing training to all employees on topics related to climate change, and holding corporate activities and collaborating with green organisations to create positive impact to the environment. The Group will also ensure it complies with all applicable legal requirements and regulatory frameworks and publicly disclose carbon footprints, carbon reduction initiatives and status annually through the Group’s website and ESG report.

*(This is an extract of the Policy and if there is any inconsistency and ambiguity between the English version and the Chinese version, the English version shall prevail.)*